Application for Withdrawal or Transfer of Contributions, or Deferred Retirement

Leaving City Service

If you leave the City before you are eligible to retire, you have several options for your contributions and interest earned. As you evaluate your options, keep in mind that Tacoma Employees' Retirement System (TERS) staff is not authorized to provide tax advice. Please consult your tax advisor or the IRS before deciding how to take payment of your tax-deferred funds.

Members with less than five years of City Service and no portability

If you leave the City with fewer than five years of service, and do not have portability with another eligible Washington state retirement system, you have three options for your retirement contributions:

- 1. Apply for rollover of your contributions and interest into another qualified plan.
- 2. Apply for a refund of your contributions and interest. A portion or all of the accumulated contributions and interest refunded to you by TERS may be subject to federal income tax. Under federal law, a **20 percent withholding** will be deducted when taxable lump sum payments that are eligible for rollover are paid directly to members.
- 3. If you are 60 years or older, you may choose to leave your contributions and interest in TERS and defer your retirement to a future date.

Members with more than five years of City Service and/or portability with another Washington state system. If you leave the City and have more than five years of service, or have portability with another eligible Washington state retirement system, you have three options for your retirement contributions:

- 1. You may leave your money in TERS, and defer your retirement until you reach retirement eligibility (See the Retirement Handbook for eligibility). A retirement will provide a monthly payment for life for the member when an application for retirement has been completed.
- 2. Apply for rollover of your contributions and interest into another qualified plan.
- 3. Apply for a refund of your contributions and interest. A portion or all of the accumulated contributions and interest refunded to you by TERS may be subject to federal income tax. Under federal law, a **20 percent withholding** will be deducted when taxable lump sum payments that are eligible for rollover are paid directly to members.

Please advise the Retirement Department if you have portability with another Washington state pension system, or are going to be employed with another Washington State entity that has a retirement system with portability.

If you choose a Refund

If you are under age 59½, at the time of distribution, and do not rollover your contributions, you may have to pay an additional 10 percent income tax penalty on early distributions/withdrawals. Members who terminate employment at age 55 or later will not have to pay the penalty.

Refunds are made at the end of the month following the 30-day waiting period after employment is terminated and application for a refund is received in the Retirement Department. If the forms are received in the Retirement Department after the 10^{th} of the month, the refund will be issued the following month.

You can still decide to rollover all or part of the tax-deferred contributions to an IRA or another eligible retirement plan that accepts rollovers, if you have withdrawn funds paid to you. If you decide to rollover your funds, you must make the rollover within 60 days of the date the payment was issued.

Application

Please fill out the attached form indicating how you wish the Retirement Department to handle your contributions. This form must be notarized.

Tacoma Employees' Retirement System
3628 S 35th St, Tacoma WA 98409 ■ P O Box 11007, Tacoma WA 98411-0007 ■ (253)502-8200, Fax (253)502-8660
Website: http://www.cityoftacoma.org/ters ■ Email: TERSretirement@cityoftacoma.org

Withdrawal of Contributions or Transfer, or Deferred Retirement Election Form

Choose One of the Five Options Below

	ble funds to a qualified pension plan, IRA, 457 plan, or 403(b) plan. Feligible funds to a Roth IRA. I am aware that this is a taxable transfer and percent.
3. Partial Transfer - I elect a partial direct tr	ransfer and in the amount of \$and a partial refund
	percent will be withheld on the partial refund. - I elect a total refund of contributions eligible for rollover and am aware of
the 20 percent automatic withholding prov	vision. Direct deposit information requiredsee attached Form.
	ore years of Service Credit, age 60, or Portability with an eligible WA re my contributions in TERS and am eligible to receive a deferred retirement
• /) is with the following WA retirement system:
Note: You have 30 days from the date of your app	plication to change your mind as to how your funds are handled.
Print Name	Social Security Number
Address	Phone Number
City State Zip C	Code Email
DATE	SIGNATURE
	's election of the option specified is irrevocable. If my spouse has elected a ent option but has not designated me as his/her beneficiary, I will not receive
DATE	SPOUSE SIGNATURE (If not married, mark N/A)
THIS	FORM MUST BE NOTARIZED
State of)	
County of)	
Lagrify that I know or have satisfactory avidence	that
I certify that I know or have satisfactory evidence (is/are) the person(s) who appeared before me; and (his/her/their) free and voluntary act for the uses a	d said person(s) signed this instrument and acknowledged it to be
Date	Notary Public Signature
(SEAL)	Print Name
,	My appointment expires:

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Transfer to Qualified Plan or Traditional/Roth IRA

PARTICIPANT INFORMATION:

Name:				
Address:	City	ST	Zip Code	
	Ž	51	Zip Code	
Social Security Number:				
TRANSFER INFORMATION:				
Name of Traditional/Roth IRA, Qualified Plan, 403B or 457	Plan			
Name of Trustee, Custodian, or Insurer of Plan:				
Address:				
City, State, Zip:	Telephone number:			
Participant IRA Account Number:				
TDANGEED AUTHODIZATION.				
TRANSFER AUTHORIZATION:				
I request that the Tacoma Employees' Retirement System Pla Custodian, or Insurer listed above of my qualified plan or IR Transfer Election Form.				
I have determined that the qualified plan or IRA listed above I have determined that I meet any applicable income limitatio or Insurer of that IRA that I am directing the Trustee of the T directly transfer my Plan distribution to the IRA listed above.	ns on such transfer. acoma Employees'	I have notified	the Trustee, Custodian,	
I confirm that the information on this Transfer Election Form conclusively rely on this Transfer Election Form without furt		curate. The Plan	Trustee may	
Participant Signature	Date			

NOTE: A transfer to a conventional IRA is a nontaxable rollover. A transfer to a Roth IRA is a taxable distribution. In addition, before 2010 certain income limits apply to determine if you are eligible to transfer directly to a Roth IRA. You are responsible the ensure that you meet such income limits.

Electronic Deposit Authorization (Refund of Contributions Only)

<u>Signed original forms</u> must be received in the Retirement Department by the <u>10th of the month</u> to be processed for the current month. This authorization will not be processed without the following information completed and a blank voided check or deposit slip attached.

Member Information						
Name	Social Security Number					
Mailing Address	City	State	Zip Code			
Telephone Number (daytime)	Member No.					
Bank Information						
Bank Name	☐ Checking ☐ Savings					
		Checking 5a	viligo			
Routing Number	Account Number					
			_			
This form authorizes The City of Tacoma/Tacoma Employees' Retirement System to make electronic deposits to the named bank or credit union account.						
Dank of Credit union account.						
Signature	Ι	Date				
	<u>. </u>					

Attach a voided check or deposit slip here